



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/757,933	01/15/2004	Bruce Bradford Thomas		6345

48509 7590 06/20/2007
BRUCE BRADFORD THOMAS
145 LAKE AVE
TRUMBULL, CT 06611

EXAMINER

NORMAN, SAMICA L

ART UNIT	PAPER NUMBER
----------	--------------

3692

MAIL DATE	DELIVERY MODE
-----------	---------------

06/20/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/757,933

Applicant(s)

THOMAS, BRUCE BRADFORD

Examiner

Samica L. Norman

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 10 November 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 16-28 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 16-28 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 10 November 2005 is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Claims 16-28 are pending. Claims 1-15 are cancelled.

Specification

1. The specification is objected to as failing to provide proper antecedent basis for the claimed subject matter. See 37 CFR 1.75(d)(1) and MPEP § 608.01(o). Correction of the following is required: The term “provision,” recited in claims 20 and 24, is not mentioned in the specification.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claim 18 recites the limitation "the physical location" in line 1. There is insufficient antecedent basis for this limitation in the claim.

4. Claims 16, 22 and 26 recite the term “a methodology.” By definition a methodology is a body of methods. The independent claims as stated are method claims and the proceeding dependent claims are product (contract) claims. It is unclear as to how the methodology is used.

5. Claims 1-21, 23-25 and 27-28 contain the same deficiencies as claims 16, 22 and 26 through dependency and, as such, are rejected for the same reasons.

6. Claim 18 recites the term “two parties.” It is unclear as to whom the term is referring to.

Claim Rejections - 35 USC § 101

7. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

8. Claims 16-28 are rejected under 35 U.S.C. 101 because for a claimed invention to be statutory, the claimed invention must produce a useful concrete, and tangible result.

“Usefulness” may be evidenced by, but not limited to, a specific utility of the claimed invention.

“Concreteness” may be evidence by, but not limited to, repeatability and/or implementation without undue experimentation. “Tangibility” may be evidence by, but not limited to, a real or actual effect.

9. In the present case, many of the answers to the issues presented are subjective. Thus because the answers are subjective for a single situation, there could be different results based on the subjective determination of the user. Therefore, the applicant's invention is not capable of providing concrete results are required by 35 U.S.C. 101 since it would be difficult for a person to repeat the analysis and determination of another based on the subjective subject matter without undue experimentation.

10. Furthermore, 35 USC 101 requires that in order to be patentable the invention must be a "new and useful process, machine, manufacture, *or* composition of matter, *or* any new and useful improvement thereof" (emphasis added). Applicant's claims mentioned above are intended to embrace or overlap *two* different statutory classes of invention as set forth in 35 USC 101. The claims begin by discussing a method (ex. preamble of claim 16), the body of the claim discusses

the specifics of the method for devising an option contract, and subsequently the claim then deals with the specifics of an option contract (see above rejection of claims under 35 USC 112, second paragraph, for specific details regarding this issue). "A claim of this type is precluded by the express language of 35 USC 101 which is drafted so as to set forth the statutory classes of invention in the alternative only", Ex parte Lyell (17 USPQ2d 1548).

Claim Rejections - 35 USC § 102

11. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

12. Claims 16 and 17 are rejected under 35 U.S.C. 102(e) as being anticipated by Brundobler, U.S. Patent No. 7,065,475 (reference A on the attached PTO-892).

13. As per claim 16, Brundobler teaches a method for devising an option contract so that said contract's value is determined by a methodology that uses an option pricing model, whereby financial leverage can be achieved in a way that is simpler and more cost effective than by using traditional options (see column 1, lines 60-65).

14. As per claim 17, Brundobler teaches the method of claim 16 as described above. Brundobler further teaches the contract that derives its value from any type of real or personal property (see column 3, lines 7-10).

15. Claims 22 and 25 are rejected under 35 U.S.C. 102(e) as being anticipated by Pandher, U.S. PG-Pub No. 2004/0128221 (reference C on the attached PTO-892).

16. As per claim 22, Pandher teaches a method for devising an option contract that is used to compensate a company's managers and employees so that said contract's value is determined by a methodology that uses an option pricing model, whereby financial leverage can be achieved in a way that is simpler and more cost effective than by using traditional incentive stock options (see paragraph 0025, lines 3-4).

17. As per claim 25, Pandher teaches the method of claim 22 as described above. Pandher further teaches the contract that derives its value from any type of real or personal property (see paragraph 0021, lines 1-15).

18. Claims 26-28 are rejected under 35 U.S.C. 102(e) as being anticipated by Bowen et al., U.S. PG- Pub No. 2005/0119962 (reference B on the attached PTO-892).

19. As per claim 26, Bowen et al. teaches a method for devising an option contract that is traded on an exchange so that said contract's value is determined by a methodology that uses an option pricing model, whereby financial leverage can be achieved in a way that is simpler and more cost effective than by using traditional exchange-traded options (see paragraph 0022, lines 2-7).

20. As per claim 27, Bowen et al. teaches the method of claim 26 as described above. Bowen et al. further teaches the contract that derives its value from any type of real or personal property (see paragraph 0022, lines 7-8).

Art Unit: 3692

21. As per claim 28, Bowen et al. teaches the method of claim 26 as described above. Bowen et al. further teaches the contract that is settled by a payment of cash (see column 0008, lines 7-9).

Claim Rejections - 35 USC § 103

22. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

23. Claims 18, 20 and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brundobler, U.S. Patent No. 7,065,475 (reference A on the attached PTO-892) in view of Bowen et al., U.S. PG- Pub No. 2005/0119962 (reference B on the attached PTO-892).

24. As per claim 18, Brundobler teaches the method of claim 16 as described above. Brundobler fails to teach the contract that is traded between two parties using the physical location or electronic trading mechanism of a third party. Bowen et al. teaches the contract that is traded between two parties using the physical location or electronic trading mechanism of a third party (see paragraph 0008, lines 1-3). It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature into the method of Brundobler. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of listing securities for trading on an exchange or market (see paragraph 0007 and paragraph 0008, lines 1-3 of Bowen et al.).

Art Unit: 3692

25. As per claim 20, Brundobler teaches the method of claim 16 as described above.

Brundobler fails to teach the contract that is included as one or more provisions of some other type of contract. This concept is old and well known in the art. It would have been obvious to incorporate this feature into the method of Brundobler as it is standard practice to include a contract as a provision in another contract.

26. As per claim 21, Brundobler teaches the method of claim 16 as described above.

Brundobler fails to teach the contract that is settled by a payment of cash. Bowen et al. teaches the contract that is settled by a payment of cash (see paragraph 0008, lines 7-9). It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature into the method of Brundobler. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of minimizing the risk by requiring an up-front payment (see paragraph 0014, lines 5-8 of Bowen et al.).

27. Claim 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Brundobler, U.S. Patent No. 7,065,475 (reference A on the attached PTO-892) in view of Pandher, U.S. PG-Pub No. 2004/0128221 (reference C on the attached PTO-892).

28. As per claim 19, Brundobler teaches the method of claim 16 as described above.

Brundobler fails to teach the contract that is used to compensate managers and other employees of a business. Pandher teaches the contract that is used to compensate managers and other employees of a business (see paragraph 0025, lines 3-4). It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature into the method of

Art Unit: 3692

Brundobler. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of rewarding and/or motivating employees (see paragraph 0004, lines 1-3 of Pandher).

29. Claims 23 and 24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pandher, U.S. PG-Pub No. 2004/0128221 (reference C on the attached PTO-892) in view of Bowen et al., U.S. PG- Pub No. 2005/0119962 (reference B on the attached PTO-892).

30. As per claim 23, Pandher teaches the method of claim 22 as described above. Pandher fails to teach the contract that is settled by a payment of cash. Bowen et al. teaches the contract that is settled by a payment of cash (see paragraph 0008, lines 7-9). It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate this feature into the method of Pandher. One of ordinary skill in the art would have been motivated to incorporate this feature for the purpose of minimizing the risk by requiring an up-front payment (see paragraph 0014, lines 5-8 of Bowen et al.).

31. As per claim 24, Pandher teaches the method of claim 22 as described above. Pandher fails to teach the contract that is structured as one or more provisions in any type of contract. This concept is old and well known in the art. It would have been obvious to incorporate this feature into the method of Brundobler as it is standard practice to include a contract as a provision in another contract.

Art Unit: 3692

Conclusion

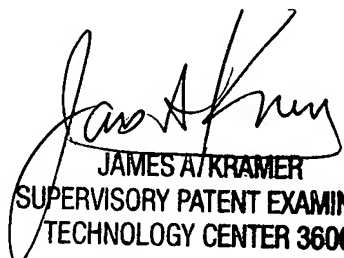
32. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Samica L. Norman whose telephone number is (571) 270-1371.

The examiner can normally be reached on Mon-Thur 6:30a-4p, w/ 1st Fri off & 2nd 6:30a-3p.

33. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

34. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

sln

 6/8/07
JAMES A. KRAMER
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600